

REMARKS

1. Applicant thanks the Examiner for the Examiner's comments which have greatly assisted Applicant in responding.

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2. Applicant amended Claim 38 for typographical reasons only.

3. **35 U.S.C. §102(b).**

10 The Examiner has rejected Claims 1-46 under 35 U.S.C. §102(b) as being anticipated by Prezioso (U.S. Patent No. 5,577,169).

(a) Claim 1

15 Independent Claim 1 appears below (emphasis added):

1. A computer implemented method of generating an enhanced profile of an individual entity, the profile including for each member of the individual entity, a single observation having at least one variable describing historical transactions pertaining to that member; the method comprising:

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generating at least one single entity profile of an individual entity having individual members, from historical transactions of the members of the individual entity;

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generating at least one multiple entity profile of at least one multiple entity defined by a combination including individual entities, from historical transactions that include the members of each of the individual entities included in a multiple entity; and

enhancing at least one single entity profile using at least one multiple entity profile to generate the enhanced profile.

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Specifically, the Examiner stated that Prezioso teaches the last two limitations of Claim 1: "generating at least one multiple entity profile of at least one multiple entity defined by a combination including individual entities, from historical transactions that include the members of each of the individual entities included in a multiple entity" and cited the Background of the reference, and "enhancing at least one single entity profile using at least one multiple entity profile to generate the enhanced profile" and cited columns 7-9.

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- In the previous response, Applicant had respectfully pointed out that Rule 1.104(c)(2) states that the pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified. Therefore, Applicant respectfully requested that the
- 5 Examiner clearly explain why Claim 1 was rejected. Applicant is very appreciative that in the section, **Response to Arguments**, of the present Official Action, the Examiner answered by stating Prezioso teaches in column 8, lines 54-63 that "As an example, when profiling physicians to search for fraud, there are many well known indicators of
- 10 fraud that can be used as behavior characteristics. Some examples are: an abnormally high percentage of office visits taking place on Sunday and Holiday; an abnormally high percentage of office visits for patients living outside the normal geography of the physician's practice; an usually[sic] high percentage of radiology visits; and unusually high average for the patients of a pediatrician; an unusually high number of patients treated in a single day". The Examiner further stated that therefore, it would be
- 15 **inherent that Prezioso is teaching the interaction of multiple entities, i.e. provider and patients, and that is teaching the enhancing of one entity profile, i.e. provider, using the profile of another entity, i.e. patient profile such as age, geographic location, when profiling physicians to search for fraud.**
- 20 In view of this newly apparent and clearly explained rejection, to which Applicant is appreciative, Applicant nevertheless respectfully disagrees.

Applicant respectfully points out in the Prezioso citing that:

- 25 • there is no teaching, suggestion, or contemplation of a profile other than that of the physician; and
- there is no teaching, suggestion, or contemplation that the age and geographic location cited in Prezioso is data from any data source other than the physician's profile.
- 30 Again, only a profile of the physician is disclosed.

Therefore, Applicant is of the opinion that it is **not inherent** that Prezioso is teaching the interaction of multiple entities. To suggest such is improper use of hindsight, which is not permissible.

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Applicant respectfully points out that, therefore, it is readily apparent that nowhere is Prezioso teaching, suggesting, or contemplating (from Claim 1):

5 **generating at least one multiple entity profile** of at least one multiple entity defined by a combination including individual entities, from historical transactions that include the members of each of the individual entities included in a multiple entity; and

10 **enhancing at least one single entity profile** using at least one multiple entity profile to generate the enhanced profile.

Again, to suggest by extrapolation that from the disclosure of Prezioso, where Prezioso discusses a single profile, that Prezioso teaches the above **generating at least one multiple entity profile, enhancing at least one single entity profile, and to generate the enhanced profile**, again, is improper use of hindsight which is not permissible.

Applicant respectfully points out to the Examiner that the claimed invention teaches a complex mechanism for cascaded profiling that is beyond a single profile, as supported hereinbelow:

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- A Direct Profile of a Target Entity (on page 10, starting at line 16);

- A Derive Process (on page 14, starting at line 3);

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- A Roll-up Process (on page 15, starting at line 8);

- Profiling Interacting Entities (on page 17, starting at line 1);

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- An Enhance Process that comprises a Merge Process (on page 17, starting at line 22); and

- A Refined Cascaded Profiling Process (on page 20, starting at line 19).

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Therefore, in view of the argument hereinabove, Applicant submits that Claim 1 and its dependent Claims are in allowable condition. Accordingly, Applicant requests that the Examiner withdraw the rejection under 35 U.S.C. §102(b).

(b) Claims 31-39, 42, and 45

5 In addition to the argument presented hereinabove, Applicant respectfully points out to the Examiner that the claimed invention also teaches **an iterative process** not taught, suggested, or contemplated in the prior art of reference, as follows (emphasis added):

(On page 21, lines 16-21):

10 The cascaded process shown in Figs. 4 and 5 is accomplished **by making multiple passes through the transaction data to compute features** based on each different entity. **On each pass, new features are computed, using any features that have been computed on previous passes.** Features computed on entities that interact with the target entity are merged in and/or rolled up to get a more comprehensive picture.


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Therefore, in view of the argument hereinabove, Applicant is of the opinion that Independent Claims 31-39, 42, and 45, and the respective dependent claims, are in condition for allowance. Accordingly, Applicant respectfully requests that the Examiner withdraw the rejection under 35 U.S.C. §102(b).

CONCLUSION

Based on the foregoing, Applicant considers the present invention to be distinguished from the art of record. Accordingly, Applicant earnestly solicits the Examiner's withdrawal of the rejections raised in the above referenced Office Action, such that a Notice of Allowance is forwarded to Applicant, and the present application is therefore allowed to issue as a United States patent.

Respectfully Submitted,


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